

# Bonn Links 2 Firms To Unauthorized Exports to Libya

*W. Germany Sets New Control Measures*

By Robert J. McCartney  
 Washington Post Foreign Service

BONN, Jan. 11—The West German government today acknowledged for the first time that investigators have uncovered "indications" that two West German firms may have made unauthorized exports to Libya.

The statement appeared to represent a reversal by the Bonn government, which had insisted for more than a week that it had seen no indications or evidence to support U.S. administration allegations that five West German companies helped Libya build a chemical weapons factory.

Customs investigators and other export-monitoring authorities have obtained information indicating that two of the five companies implicated by Washington may have been involved with a Belgian transport company in making unauthorized exports to Libya, a government spokesman said.

Yesterday the government announced a major package of control measures for new arms shipments abroad that commentators here said was a clear admission that the Bonn government had been lax in enforcing its own ban on military exports to regions of tension.

[In Washington, a State Department spokesman "warmly welcomed" Bonn's move, adding that the administration would have to study the new restrictions carefully.]

The two West German companies implicated are IBI Engineering of Frankfurt, which has been linked to an Iraqi businessman identified as Ihsan Barbouti, and Imhausen-Chemie GmbH of Lahr, said the Bonn government spokesman in a telephone interview tonight. The Belgian firm is Cross Link of Antwerp, the spokesman added.

Imhausen previously has denied that it delivered chemical arms equipment to Libya, while IBI Engineering has not publicly responded to the allegations. Cross Link refused comment when contacted today, Reuter news agency reported.

West German officials said that customs investigators a week ago confiscated 12 containers of documents belonging to IBI Engineering as part of an inquiry into the U.S. allegations. West German and Belgian authorities were cooperating in the inquiry, the Bonn officials said.

It was too early to say whether investigators have obtained "evidence" of illegal exports to Libya, the government spokesman said tonight.

Earlier in the day, Reuters quoted Bonn government sources as saying that West German authorities had evidence that West German firms helped Libya build what the United States says is a chemical weapons plant.

"We are in possession of evidence which shows that the American allegations are not groundless," Reuters quoted a source as saying. "Imhausen will not be able to extricate itself from the matter now," the agency quoted a government source as saying.

But the government spokesman said that the sources quoted by Reuter went "too far," because "we have no formal report with evidence from the responsible authorities."

Chancellor Helmut Kohl's government reacted with a mixture of deep embarrassment and irritation, after U.S. officials leaked the name of the Imhausen firm to U.S. media late last month. U.S. officials maintain that Imhausen, a chemicals and pharmaceuticals company belonging to a group with 350 employees,

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## BONN, From A29

played a central role in design and construction of the plant at Rabta, Libya, the U.S. officials said.

The weekly magazine Stern, in a report released today ahead of publication, named six West German firms, plus one in East Germany and another in Austria, which it said had worked with Libya. ZDF said a total of 30 companies from West Germany, East Germany, Denmark and other countries were involved.

Stern said it had obtained evidence showing Imhausen provided Libya with "everything that was needed to build a chemicals factory."

The ZDF television network said Imhausen, through subsidiaries, had been responsible for most of the

technical interior equipment for the Rabta plant. ZDF said its reporters saw "letters and receipts that appear to be proof" of Imhausen's role.

The network said it interviewed a West German businessman who stated that he had shipped 200 windows to Rabta as part of a deal with IBI. The executive, Josef Sartorius, said Barbouti visited his firm in 1987 to discuss the deal.

Barbouti owns IBI Engineering of Frankfurt, a customs spokesman said. A Zurich office of IBI also has been implicated by Washington as having worked in the Libyan project.

A spokesman for the government and the Finance Ministry said that an inquiry by its Customs Criminal Institute of IBI Engineering and Imhausen has not yet found suffi-

cient grounds to open a state prosecutor's investigation.

The announcement today of last week's customs raid on IBI Engineering contradicted statements by Bonn officials last week that all inquiries were stalled because of lack of sufficient data from Washington. The documents of the firm, whose business has been suspended for several months, were located after investigators received an anonymous tip, Bonn officials added. One official indicated today that the government was too hasty early last week in saying strongly that evidence was lacking to back up the Americans' claims. Asked whether Bonn now had such evidence, the official said, "I will not rule it out because I always was afraid that it would be like that."

*Rabta 35 miles south of Tripoli*

# Employee Reportedly Links German Firm to Libya Plant

By Robert J. McCartney  
Washington Post Foreign Service

BONN, Jan. 24—The West German weekly magazine Stern reported today that a West German chemicals company manager has told criminal investigators that a subsidiary of a state-controlled company sold blueprints for a factory knowing that it was to be based in Libya and was to produce highly toxic substances.

The United States has charged that West German companies helped Libya build a poison gas factory.

Stern said the witness was a manager of Imhausen-Chemie GmbH of Lahr, a company identi-

fied by the U.S. administration as having played a central role in design and construction of the plant at Rabta, Libya. The company has denied the allegations.

The magazine said the Imhausen witness has "completely opened up" with investigators.

Hubertus Voegelé, spokesman for the prosecutor, confirmed by telephone that an Imhausen employee has made statements as a witness to authorities investigating Imhausen on suspicion of illegal exports to Libya. Voegelé declined to comment on the substance of the witness' testimony and would not identify the Imhausen employee, who was not named by Stern.

Stern said the witness told inves-

tigators that Salzgitter Industrieanlagen GmbH, or SIG, a subsidiary of a state-controlled steel group, sold blueprints for the Rabta facility in Imhausen.

In talks between executives of SIG and Imhausen, "it was an open secret that the ominous Pharma 150 [plant] was in Libya and not in Hong Kong" as SIG has said, Stern said. Pharma 150 reportedly is the name both of a pharmaceutical plant being built in Hong Kong and of the controversial portion of the Rabta industrial complex.

"It was also clear to the SIG experts, according to the Imhausen witness, that this was not a small pharmaceuticals factory, but a large chemical plant for the production of highly toxic substances," Stern said.

SIG said today that its employees "have at no time worked for the project in Rabta. . . . Salzgitter Industrieanlagen GmbH of Imhausen was always told that Hong Kong was the site of the plant. Imhausen still maintains this today."

PAST — 25 Jan '89

# Bonn Concedes Libyan Plant Can Make Chemical Weapons

By Robert J. McCartney  
Washington Post Foreign Service

VIENNA, Jan. 16—West Germany's government said today for the first time that it believes that a controversial factory in Libya will be able to make poison gas, but it continued to insist that it only has indications that West German companies helped build the plant.

In comments to reporters in Bonn, Finance Minister Gerhard Stoltenberg also disclosed that Bonn had obtained information as early as August of last year that raised suspicions about possible West German corporate involvement in building the factory. Previously, West German officials had said they were not aware of such

information until October of last year.

Stoltenberg's statements represented another step back from West Germany's initial, irritated rebuff of U.S. administration allegations that five West German firms helped construct a chemical arms factory at Rabta, Libya.

The minister's remarks were made in part to a news conference, and in part afterward to a correspondent of the Reuter news agency in Bonn. His comments were confirmed in a telephone interview with his chief spokesman, Karl-Heinz von den Driesch, in Bonn.

"We have to assume that at this factory there is a section that will be able to produce poison gas," Stol-

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# Bonn Changes Position on Libyan Plant

GERMANY, From AP

Stoltenberg said in Bonn. "This assumption is based on concrete indications and reports," he said.

Stoltenberg, whose ministry supervises customs authorities responsible for enforcing West German laws against chemical arms technology exports, returned Saturday from three days of talks in Washington, where the Rabta plant was discussed.

Stoltenberg declined to say when the West German government concluded that the Rabta facility will have the capacity to make poison gas or what evidence Bonn had obtained. But he said documents secured from IBI Engineering, a Frankfurt-based firm linked to Iraqi businessman Ihsan Barbouti, "suggested a possible or suspected involvement by German firms in illegal activities" in Libya.

The government of Chancellor Helmut Kohl initially responded to the U.S. allegations by saying it had seen "no indications or evidence" that the Rabta plant could make chemical arms or that any West

German companies had helped in the factory's construction.

Bonn began to back off five days ago when a government spokesman acknowledged that West German investigators had uncovered "indications" that two West German firms may have made unauthorized exports to Libya.

Stoltenberg said that the Federal Intelligence Service in early August informed the customs investigative agency of possible West German corporate involvement in the Libyan plant. No inquiry was ordered at that time, partly because the information was too vague, Stoltenberg said.

In addition, the intelligence service strongly recommended that no investigation be opened out of fear that an inquiry might tip off Imhausen-Chemie GmbH of Lahr about official suspicions, he said.

Imhausen, which has strongly denied any involvement with the Libyan factory, has been identified by the U.S. administration as having played a central role in design and construction of the plant.

Meanwhile, the West German

weekly magazine Stern reported that a West German state-owned company had played an important role in planning the alleged chemical arms plant at Rabta. Such involvement may explain why the West German government has delayed launching an inquiry, the magazine said.

Stern identified the company as Salzgitter Industriebau GmbH, or SIG, which it said was a unit of Salzgitter AG of Salzgitter. It quoted a manager of SIG, whom it identified as Andreas Boehm, as saying that the work in question was linked not to Libya but to a plant in Hong Kong.

Stern also said that Imhausen obtained the main computer for the alleged poison gas plant "in a roundabout fashion" from what the magazine identified as "the U.S. company Harris." The firm, based in Melbourne, Fla., specializes in aircraft and satellite electronics, and works closely with the U.S. defense industry, Stern said in a report released today ahead of publication later this week.

[The Associated Press quoted

Harris company spokesman as denying the report.]

Ihsan Barbouti, the Iraqi linked to one of the West German firms implicated in the affair, was quoted yesterday as making his first public denial that he was involved in helping to build a chemical weapons plant in Libya.

Barbouti, 61, was quoted by the British weekly newspaper Observer as saying that he had a contract until June 1987 to help build industrial facilities at Rabta. But he was quoted as saying that the controversial plant there—which Libya says is a pharmaceuticals factory—was not part of his contract and that he had no financial interest in it.

"That building was 60 percent finished when I left the site 18 months ago. I don't think they could have built a chemical weapons factory without my knowledge," Barbouti was quoted by the Observer as saying.

A woman who answered the phone this evening at what she identified as Barbouti's London residence said that he was not available to comment. She said she worked there and that she did not know how to reach Barbouti. She hung up when a correspondent asked for additional information.

# Qaddafi's media coup turns to dust

Washington / wires 9 Jan '89

Peyman Pejman

SPECIAL TO THE WASHINGTON TIMES

TRIPOLI, Libya — In what was intended to be a media coup for Libya's Col. Muammar Qaddafi, the government invited hundreds of correspondents last week to visit the desert factory that Libya says will make medicine — and the United States says will make poison gas.

But when about 200 journalists called Col. Qaddafi's bluff, the experience was so embarrassing that the government delayed Saturday's visit, held it at dusk, then expelled the reporters soon afterward.

At least 100 journalists, most either American or European, were put on an afternoon flight to Rome. However, at least 30 others managed to stay by avoiding government officials assigned to keep tabs on them. Libyan officials allowed them to stay one more night.

On Thursday, the day after the United States shot down two Libyan planes, 30 foreign reporters who flew in from Rome were sent right back to Italy.

Libyan officials were clearly reluctant to let reporters see the factory, which was built near the village of Rabta, 35 miles southwest of the capital of Tripoli.

But when international clamor grew too loud, the Libyans organized a "special tour" for correspondents Saturday. They refused to disclose the destination, but it was assumed — because of Libyan hints — that the destination would be Rabta.

The outing turned out to be a day trip to some Roman ruins.

When the tour of the plant was finally arranged, it only buttressed



A tent is erected in front of a Libyan factory near the village of Rabta, about 35 miles southwest of the capital of Tripoli. Reporters visited the factory that Libya says will make medicine, and the U.S. says will make poison gas.

AP

for if that was the factory, the cryptic response was, "Yes. Whatever you wish."

A European diplomat who did not wish to be identified said, "It's very obvious what they are doing here. Why would you want to build a pharmaceutical plant in such a remote place surrounded by missiles?"

Although the Libyan government has denied reports that the factory is surrounded by military facilities, Libyan pharmaceutical exports are working at the plant made no attempt to deny the existence of the missiles around the factory.

"We are taking this matter very seriously," said Dr. Idriss Ibrahim. "In 1986, the Americans bombed purely civilian targets and killed a lot of people. There is no reason why we should not do our best to protect this plant. That's why the missiles are here."

He said the missiles were installed after remarks by Reagan administration officials hinted that the facility may be bombed. "Until the Reagan threat is gone, the missiles will remain," Dr. Ibrahim said.

According to Western diplomatic sources, Col. Qaddafi summoned the West German ambassador last week and asked his government's advice on how to ease the tension generated over the issue. Diplomats said the ambassador suggested that Libya let an international committee inspect the plant.

In a statement to reporters last week, Col. Qaddafi said Libya would accept an international inspection of his factory if the committee included a Libyan representative and would later inspect all suspected poison gas factories in Israel, Europe and the United States.

concrete building in the northern part of the village, surrounded by several tents and a man-made earth embankment sheltering a radar.

Fearful of a U.S. military strike, the government has placed hundreds of Libyans and foreigners in the vicinity of the plant, many of them lacking proper clothing for the cold. Three truckloads of workers, one full of Thai men, were leaving Rabta as the correspondents arrived.

A Libyan teacher who would not identify himself said he was "positive" that the plant was only a medical one. Asked why he was so certain, he said, "I know, I read, I [was] told."

When a correspondent pointed to the building and asked a Libyan doc-